

**FINAL REPORT
OF THE
COMMITTEE ON CHILD CARE**



**Indiana Legislative Services Agency
200 W. Washington St., Suite 301
Indianapolis, Indiana 46204-2789**

November 2008

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FINAL REPORT

Committee on Child Care

I. STATUTORY DIRECTIVE

Current law (IC 12-17.2-3.3-5) requires the Committee on Child Care (CCC) to do the following:

“(a) The committee shall:

- (1) study the system of child care regulation; and
- (2) report and make recommendations concerning the system of child care regulation to the legislative council in an electronic format under IC 5-14-6 not later than October 31 of each year.

(b) The committee's recommendations under subsection (a) must further the following child care regulation purposes:

- (1) To provide support for families in need of reliable, high quality child care.
- (2) To encourage and support high quality child care providers.
- (3) To allow for a variety of methods of child care provision and allow each family to determine the method preferred for the family's children.
- (4) To promote access to available and affordable child care by parents.
- (5) To encourage the state to access all available federal funds for child care.

(c) The committee's program of study must include consideration of the following:

- (1) The effect of child care and child care regulation on families.
- (2) Encouragement of high quality child care.
- (3) Issues related to the child care workforce, including job satisfaction, compensation, and turnover.
- (4) A review of child care models.
- (5) Ensuring the safety of children.
- (6) Any need for reorganization and refocusing of governmental agencies responsible for regulation of child care.
- (7) Parental rights.”

II. SUMMARY OF WORK PROGRAM

The CCC met three times during the summer/fall interim of 2008.

- The first meeting took place on August 5, 2008, in the State House, Indianapolis.
- The second meeting took place on October 14, 2008, in the State House, Indianapolis.
- The third meeting took place on November 19, 2008, in the State House, Indianapolis.

The CCC heard testimony concerning the following:

1. The Bureau of Child Care 2007 Annual Report.
2. The Paths to Quality (PTQ) ranking system employed by the Family and Social Services Administration (FSSA).
3. The “Sunny Start” program of the Indiana State Department of Health.
4. Reports from the Child Care Advisory Committees.
5. The overall state of child care in Indiana.

III. SUMMARY OF TESTIMONY

The Committee heard testimony from Ms. Michelle Thomas (Child Care Administrator, Child Development Division of the Family and Social Services Administration). Ms. Thomas testified on the PTQ program. Ms. Thomas discussed the Bureau of Child Care (BCC) audit situation and the federal poverty level’s affect on children receiving services from the BCC. At the second meeting, Ms. Thomas provided another PowerPoint presentation on PTQ and the Child Care and Development Fund (CCDF), as well as a better update on State Board of Account findings.

Ms. Melanie Brizzi, a special consultant to FSSA on child care matters, gave an overview of where the PTQ program was to date, emphasizing that it would not be completely introduced until 2009. She listed the three main types of providers that PTQ rated as centers, homes, and ministries. She described the various differences and capabilities of the different provider types to achieve a PTQ rating. She said, in particular, the ministries have the most difficulty meeting the standards. She said the program anticipates only a 3% participation rate from child care ministries. She also discussed the rationale behind using the PTQ rating system rather than an ‘environmental’ rating system.

Ms. Marsha Thompson of the Indiana Association of Child Care Resources and Referral (IACCRR) testified. She discussed the missions and goals of the IACCRR. She said that the IACCRR has a Spanish-speaking person on staff to help the Latino community.

Ms. Dianna Wallace with the Indiana Association for the Education of Young Children testified that her organization focuses on professional development efforts that support increased child care options for Fort Wayne’s working citizens. She stated that the T.E.A.C.H. program, which is funded partially by a state grant, includes several of Fort Wayne’s private employers. Ms. Wallace detailed the three objectives of the T.E.A.C.H. program.

Mr. Edmund Hafer Jr. with the Evansville Regional Business Committee, spoke about recognition by private employers, schools, and government that the need for better early childhood education is an economic issue, and it is an important economic issue. He said development of an early childhood education program is in the best interests of

the southern Indiana economic community.

Ms. Erin Ramsey of Four C's of Southwest Indiana answered some questions from the CCC members.

Senator Deig [from Evansville area] testified that he has worked with Four C's of Southwest Indiana and has a real fondness for the child care issue. He said he has worked with Senator Becker to establish a study committee through the Legislative Council to look at all state and federal funding available for child care issues.

Dr. Judith Ganser with the Indiana State Department of Health (ISDH) testified on the "Sunny Start" program. Dr. Ganser provided a brief history of the program, including funding amounts received by the program. Dr. Ganser said that the funding for "Sunny Start" ends in July 2009. She said the ISDH would reapply for funding at that point. She said the program's goals are to help prepare children from birth to five years of age to be healthy and ready to learn when they begin school.

Mr. Mike Garatoni, a member of the Child Care Center Advisory Committee, presented the Committee's report for the interim. The report he presented stated that the economic conditions were unfavorable to centers from a cost/service standpoint under the PTQ requirements. He claimed that homes and ministries did not have to meet the same guidelines as centers to be rated by the PTQ program.

Ms. Noel Hanson, member of the Child Care Home Advisory Committee, testified about the recent issues facing the Committee. Part of her testimony focused on inequitable treatment issues facing several child care homes. Her presentation provided information concerning several child care homes around the state.

(For further detail about the CCC's work the minutes of the meetings may be found at <http://www.in.gov/legislative/interim/committee/care.html>)

IV. COMMITTEE FINDINGS AND RECOMMENDATIONS

Finding One: The BCC has improved access to child care by increasing CCDF funding through the transfer of TANF funds. The increased CCDF funding has allowed the BCC to reduce the CCDF waiting list and increase income eligibility limits for child care funding assistance.

Recommendation One: The BCC is encouraged to continue its progress by seeking additional methods to further increase funding for CCDF assistance, further reduce the waiting list, and further expand income eligibility limits.

Finding Two: The Paths to Quality Program has been established in major Indiana cities and will be completely implemented by 2009. Paths to Quality will be helpful to child care providers in their quality of care efforts. The Program will also help parents to evaluate child care providers for the care of their children according to the parents' personal preferences and economic circumstances.

Recommendation Two: FSSA is encouraged to continue its progress in implementation of Paths to Quality and report to the CCC during the 2009 interim concerning its continued work on the program.

Finding Three: The "Sunny Start" program provides significant educational information to parents, through their physicians, about health, growth, and development of children from birth to age five. More extensive distribution of program materials to parents and child care providers would increase the effectiveness of the program and be beneficial to all children.

Recommendation Three: The ISDH is encouraged to find additional funding sources to make the "Sunny Start" Internet site more accessible and expand distribution of "Sunny Start" information brochures and developmental calendars to parents and child care providers.

Finding Four: The Child Care Advisory Committees have provided useful information to FSSA regarding the regulatory environment for child care centers and child care homes.

Recommendation Four: The Committees and FSSA are urged to continue working together to improve child care regulatory practices.

Finding Five: According to a report published by the Educational Policy Institute (Enriching Children, Enriching the Nation - Public Investment in High-Quality Prekindergarten by Robert G. Lynch), investment in early childhood development programs will provide future dividends double the amount of the initial investment within 10 years. The efforts in this area by the public and private entities in Evansville, Indiana, are commendable and could serve as a model for other locations in Indiana. Increased awareness among public and private entities and individuals of the need for investment in early childhood development and resulting economic benefits would be beneficial to children and the state.

Recommendation Five: Committee members and others who are interested in the welfare of children, families, and the state in general are encouraged to become more knowledgeable about the connection between early childhood development, quality child care, and related economic benefits and to educate others in an effort to duplicate the initiative of Evansville.

WITNESS LIST

Ms. Michelle Thomas, Child Care Administrator, Child Development Division of the Family and Social Services Administration.

Ms. Melanie Brizzi, Special Consultant to FSSA on child care matters.

Ms. Marsha Thompson, Indiana Association of Child Care Resources and Referral.

Ms. Dianna Wallace, Indiana Association for the Education of Young Children.

Mr. Edmund Hafer Jr., Evansville Regional Business Committee.

Ms. Erin Ramsey of Four C's of Southwest Indiana.

Senator Robert Deig.

Dr. Judith Ganser, Indiana State Department of Health.

Mr. Mike Garatoni, Member, Child Care Center Advisory Committee.

Ms. Noel Hanson, Member, Child Care Home Advisory Committee.